

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE FAILURE OF) ADMINISTRATIVE
WOODLAND ACRES UTILITIES, LLC TO FILE) CASE NO. 2011-00349
REQUIRED REPORTS)

ORDER

On October 11, 2011, the Commission ordered Woodland Acres Utilities, LLC ("Woodland Acres") to appear before us on October 27, 2011 and show cause why it should not be subject to a civil penalty for its alleged failure to comply with KRS 278.140 and KRS 278.230(3). We further ordered that, in lieu of appearing before us, Woodland Acres could waive its right to a hearing, pay a civil penalty of \$250.00, and file the required reports.

Woodland Acres appeared before the Commission on October 27, 2011, represented by legal counsel. Counsel for Woodland Acres made an oral motion for an extension of time, up to and including November 30, 2011, by which Woodland Acres could file the required reports. Counsel also waived the right to a hearing in the matter or to contest the assessment of a civil penalty for its failure to comply with KRS 278.230(3) and KRS 278.140. Counsel tendered payment of \$250.00 at the Hearing.

On February 1, 2012, Woodland Acres filed a Third Amended Motion for Extension of Time to File Reports. The motion requested an extension of time, up to and including February 29, 2012. The motion stated that Woodland Acres requested copies of its bank statements for the relevant time period from its bank, which are needed to complete the required reports. Woodland Acres claimed that it had just

recently received copies of the requested records, and was purportedly working to complete the required reports.

On February 29, 2012, the Commission issued an Order granting Woodland Acres' Third Motion for Extension of Time and ordered that Woodland Acres file the required reports no later than February 29, 2012. The February 29, 2012 Order stated that no further extensions of time would be granted absent a factual showing of undue hardship or exceptional circumstances. The Order also stated that, if Woodland Acres failed to file the required reports within the prescribed time, Woodland Acres would be subject to additional penalties. Woodland Acres did not file the required reports by February 29, 2012.

On March 28, 2012, William Hollister, Woodland Acres' accountant, filed with the Commission a request for extension of time until June 30, 2012 in which to file its annual report for the year ending December 21, 2011. Mr. Hollister also stated that Woodland Acres would file its 2009 Annual Report by April 30, 2012. However, an employee in Mr. Hollister's office subsequently informed Commission Staff that Woodland Acres was no longer using the accounting agency to prepare the annual reports.

On April 18, 2012, the Commission issued an Order in which it stated that it appeared Woodland Acres was no longer trying to comply with the February 29, 2012 Order. The Commission also ordered Woodland Acres to appear at a formal hearing on May 9, 2012 to show cause why it should not be subjected to the penalties of KRS 278.990 for its failure to comply with the February 29, 2012 Order.

At the May 9, 2012 Hearing, counsel for Woodland Acres appeared and requested a continuance of the Hearing. Counsel stated that Mr. Joe Murphy, owner of Woodland Acres, was sick and recently hospitalized. Counsel provided a statement from Mr. Murphy's physician that Mr. Murphy would be unable to attend any hearing for at least another two weeks.

On June 14, 2012, the Commission entered an Order in which it found that, because a statement from Mr. Murphy's physician was provided, it was appropriate that a continuance be granted in this case and rescheduled the formal hearing for June 28, 2012. The Commission, however, attached several conditions to the continuance, including requiring the filing of testimony by June 21, 2012. The Commission also ordered that if Woodland Acres failed to file the testimony by July 21, 2012 and did not appear at the June 28, 2012 hearing, the Commission would issue a subpoena for Mr. Joe Murphy through Franklin Circuit Court. The Order also provided that if Mr. Murphy failed to answer the subpoena, the Commission would, through the Franklin Circuit Court, request a bench warrant for Mr. Murphy's arrest.

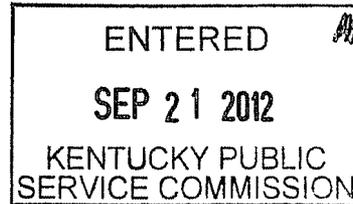
Woodland Acres timely filed its testimony and appeared at the June 28, 2012 hearing. At the June 28, 2012 hearing, Woodland Acres filed its annual reports for 2006, 2007, 2008, 2009, and 2010. Woodland Acres also filed its annual report for the year ending December 31, 2011.

Woodland Acres has complied with the Order establishing this case despite its failure to timely file. Woodland Acres has paid the required fine and filed its required annual reports and we believe that there is no reason to penalize or investigate Woodland Acres any further. However, we warn Woodland Acres that further untimely

filings of annual reports will not be met with the same forbearance that we are showing by dismissing this case.

IT IS THEREFORE ORDERED that this case is dismissed with prejudice and removed from the Commission's active docket.

By the Commission



ATTEST:

Executive Director

Administrative Case No. 2011-00349

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